

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE CHRISTIAN)
COUNTY WATER DISTRICT OF CHRISTIAN)
COUNTY, KENTUCKY, FOR APPROVAL OF) CASE NO. 9880
CONSTRUCTION AND FINANCING)

O R D E R

Christian County County Water District ("Christian County") by application filed March 10, 1987, is seeking a certificate of public convenience and necessity to construct a \$145,770 water-works improvements project and approval of its plan of financing for this project. The project financing includes a \$121,140 Housing and Urban Development Community Development Block Grant ("CDBG") and \$24,630 from various Christian County funds.

The proposed construction will provide water service to 26 new customers. The construction plans and specifications prepared by J. T. Blankinship & Associates, Consulting Engineers of Murphysboro, Illinois, ("Engineer") have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.

The Commission, after consideration of the record and being advised, is of the opinion and finds that:

1. Public convenience and necessity require that the construction proposed in the application and record be performed and that a certificate of public convenience and necessity be granted.

2. The proposed project includes the construction of about 3.1 miles of 8- and 6-inch water line, and related appurtenances.

3. The low bids totaled \$110,938. The funds required for this work will be approximately \$145,770 including engineering design fees, and other indirect construction costs.

4. Any deviations from the construction herein approved which could adversely affect service to any customer should be done only with the prior approval of this Commission.

5. Christian County should furnish duly verified documentation of the total costs of this construction including all capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Said costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Water Utilities prescribed by this Commission.

6. Christian County should require the Engineer to provide resident inspection under the general supervision of a professional engineer with a Kentucky registration in civil or mechanical engineering to ensure that the construction work is done in accordance with the contract plans and specifications and in conformance with the best practices of the construction trades involved in the project.

7. Christian County should require the Engineer to furnish a copy of the "as-built" drawings and a signed statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the date of substantial completion of this construction.

8. The \$145,770 financing plan proposed by Christian County for its proposed construction is for lawful objects within its corporate purposes, is necessary and appropriate for and consistent with the proper performance of its services to the public and will not impair its ability to perform these services, is reasonably necessary and appropriate for such purposes and should, therefore, be approved.

IT IS THEREFORE ORDERED that:

1. Christian County be and it hereby is granted a certificate of public convenience and necessity to proceed with the proposed construction as set forth in the plans and specifications of record herein.

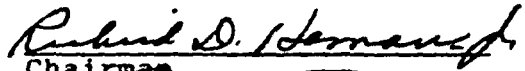
2. Christian County's plan of financing consisting of \$121,140 in CDBG funds and \$24,630 in various Christian County funds be and it hereby is approved.


3. Christian County shall comply with all matters set out in Findings 4 through 7 as if the same were individually so ordered.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing authorized herein.

Done at Frankfort, Kentucky, this 24th day of June, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director